



STATE OF WASHINGTON
Office of the Governor

August 17, 2018

Mr. Andrew Bremberg
Assistant to the President and
Director of the Domestic Policy Council
The White House
1600 Pennsylvania Avenue NW
Washington, D.C. 20500

The Honorable Mick Mulvaney
Director
Office of Management and Budget
725 17th Street NW
Washington, D.C. 20503

Dear Mr. Bremberg and Director Mulvaney:

On behalf of the State of Washington, I write today to express our serious concerns with the approach taken in Executive Order (EO) 13828, “Reducing Poverty in America by Promoting Opportunity and Economic Mobility.” Washington has worked for years to help all of our workers and families gain economic stability and opportunity. While our economy consistently ranks as one of the best in the nation, we know that not all Washingtonians benefit equally from our strong and growing economy. That’s why we had hoped there could be opportunities to work together with our federal partners on reducing poverty in Washington State and across our nation. However, we are deeply disappointed with the damaging policies put forward in this EO.

Contrary to this Administration’s assertions, the poverty problem in the United States is not about work ethic. It is about the lack of affordable housing, the high cost of child care and the increasing rate of healthcare costs. It is about the dire need for more mental health and opioid treatment. It is about changing economic forces that are creating more low-wage jobs than middle-wage jobs, while leaving many rural communities without any job creation at all.

Unfortunately, the language and policy ideas in EO 13828 boil down to a misguided and harmful bumper-sticker philosophy that if a person just works hard enough, they can make it. This bootstrap ideology has never been more out of touch with the realities of the people and policymakers grappling with persistent poverty in this country.

Just as a student struggles in school when they lack stable housing, a trusted support system and access to healthcare and food, employees will struggle in the workforce when confronted with the same challenges. For millions of Americans, public assistance programs are a critical lifeline to help families meet basic needs and avoid falling deeper into poverty. In my state, we have found these programs must remain flexible and responsive to the multiple challenges facing an individual — whether it be domestic violence; housing instability; untreated physical, mental and behavioral health conditions; low literacy skills; lack of educational and job training opportunities; inadequate leave policies or an overall shortage of living-wage jobs. Implementing rigid work requirements and other harsh restrictions in public assistance programs does nothing



to address families' real challenges, while severely limiting our ability to address poverty in the United States.

Indeed, the entire premise is deeply flawed that simply reducing the number of people receiving public assistance will somehow increase economic mobility. Caseloads in the Temporary Assistance for Needy Families (TANF) program have steadily declined and are now at an all-time low, suggesting that poverty has declined. But those numbers only reflect the distressing reality of public policies that push people off public assistance. In fact, while the number of families on TANF has decreased by nearly 900,000 since 2000, the number of families living in poverty has actually *increased* by nearly 800,000 during that same timeframe.¹ What's worse, this trend has hit vulnerable populations at disproportionately higher rates — often plunging children, people with disabilities, people of color and single parents even deeper into poverty.

Enclosed, please find a memorandum detailing our state's most significant concerns with the approach taken in the President's EO, as well as examples of efforts that are already working in Washington to meaningfully move people to stable employment and economic security. We offer three key considerations we believe are critical to establishing policies that actually reduce poverty in this country.

- **First, even when jobs are available, they do not pay enough. There is not a single community in our nation where a full-time worker can make ends meet on the minimum wage.** According to a recent report, the average hourly wage needed to afford monthly rent for a simple one-bedroom home or apartment is \$17.90 per hour.² Even in Washington State, where we have one of the highest minimum wages in the nation, a single parent working full-time at minimum wage will gross \$1,987 per month, resulting in net pay that is well below the federal poverty level (FPL) for a family of three.

Unfortunately, experts predict that low-wage jobs are expected to continue growing the fastest, while middle-wage jobs will continue to decline. Additionally, middle-wage jobs increasingly require some level of post-secondary education, making it all the more important that we break down barriers to various career pathways — whether it be through higher education, apprenticeships, internships or a credential program.

- **Second, it takes more than just a job to escape poverty and achieve long-term economic stability.** Jobs that do not offer adequate wages, paid leave or predictable hours will continue to hinder an individual's economic security. The stress of balancing work and caregiving responsibilities will continue to affect parents' health and economic well-being, along with their ability to be effective employees. Unreliable transportation and child care arrangements will continue to create logistical hardships. Untreated mental or psychological conditions resulting from adverse life experiences or illnesses will continue to make it difficult for many to maintain stable employment.

These challenges demonstrate why harsh, inflexible work requirements — which limit the type and duration of allowable or countable activities, or that require full-time employment

¹ Center for Budget and Policy Priorities, "TANF Reaching Few Poor Families," December 13, 2017.

² National Low Income Housing Coalition, "Out of Reach: The High Cost of Housing," June 13, 2018.

— often fail to address poverty. Participants are forced into work activities before they have established the varied support systems necessary for long-term success. Rigid program rules may actually exacerbate the challenges for an individual and make them less likely to succeed.

- **Finally, states should be given flexibility to adopt program rules that make sense for their local communities and unique economic conditions. Keep the focus on results.** We know that in Washington, solutions must be narrowly targeted if they are to be effective. The challenges facing a struggling worker in rural Grays Harbor will be different than those facing a worker who lives in urban Seattle. Washington's economic landscape is also vastly different than Wisconsin's or Iowa's, and our strategies for helping people gain solid economic footing may be similarly different. Whatever policies this Administration decides to pursue, we ask for adequate flexibility and choice around how individual states administer the changes, with an emphasis on showing results. At a minimum, we request that work requirements for beneficiaries be kept optional for states.

We believe Washington has a good story to tell about how workers are more likely to succeed when we focus on helping people obtain certified credentials for living-wage jobs, and then couple those education opportunities with effective job placement and job retention tools. I encourage you to consider our input seriously and thoughtfully and to reconsider how the federal government can partner with states to actually improve economic stability in America without exacerbating poverty for millions of vulnerable families.

If you have any questions about our concerns with EO 13828, please contact the director of my Washington, D.C. office, Casey Katims, at Casey.Katims@gov.wa.gov. Thank you.

Very truly yours,



Jay Inslee
Governor

Enclosure

WASHINGTON STATE RESPONSE TO PRESIDENT TRUMP'S EXECUTIVE ORDER 13828

Executive Summary

Washington State is pioneering innovative, forward-looking support systems to move individuals toward economic mobility, which we believe can be a model for the nation. However, new federal mandates to implement rigid work requirements would weaken the success of our proven systems and harm working families in our state. Evidence shows that work requirements do not lift people out of poverty — they eliminate tools to meet Americans' basic needs while punishing those who are already struggling. The harsh, inflexible work requirements prioritized in Executive Order (EO) 13828 are far more likely to set back those seeking to “escape poverty” than move them toward economic security.

The causes for persistent poverty are varied and complex. They have changed over time, and they differ from state to state and even within local communities. Whereas it was once possible for middle-class families to meet their basic needs with a single income from a job that required little more than a high school diploma, the reality today is far different. Today, there is no community in the country where a full-time, minimum wage worker is able to afford rent and basic living expenses. Middle-wage jobs are declining, and low-wage jobs are on the rise. Hourly positions with unpredictable schedules or inconsistent hours make it extremely challenging to budget or plan ahead. Jobs without paid sick or family leave force workers to make painstaking decisions about losing a days' pay or caring for a sick child. And to make matters worse, technology is causing massive transformations across industries and throughout our economy, which is expected to displace millions of Americans in the years ahead.

Public assistance programs play a critical role in bridging these gaps and preventing many Americans from falling into, or being plunged deeper into, poverty. These safety-net programs — including healthcare, housing, transportation, child care, nutrition assistance, education and job training — support workers in the pursuit of good jobs and living wages, especially when hard times hit.

In Washington State, we have found these programs must remain flexible and responsive to the multiple challenges that affect an individual's ability to find work and develop a successful career. We know the obstacles facing different Washingtonians are as varied as people themselves. For some, poverty is an intergenerational experience, and effectively breaking the cycle requires tremendous effort with an entire family to address domestic violence, chronic homelessness, food insecurity and more. For others, unemployment is the result of a depressed and stagnant local economy, where few jobs are available that can support a basic standard of living. People with disabilities, those who suffer from mental illness, adults who emerged from the foster care system, and workers who find themselves stuck in low-paying jobs due to inadequate training all need different kinds of help to get back on track.

That is precisely why Washington's response to these challenges is not a top-down, one-size-fits-all work requirement for beneficiaries to get help with their basic needs. We work to determine what a person needs, in real time and in real life, for them to find and keep a good-paying job — whether that be child care, food benefits, reliable transportation, opioid treatment or something else. This can be seen in statewide programs such as WorkFirst, which offer a variety of services to help low-income families build a stable foundation to support family well-being and financial independence. We also understand that in many cases, these needs must be met *first*, in order for an individual to be ready for employment.

Additionally, some of the most effective solutions are not with the worker, but with our systems themselves. There are many steps Washington is taking to help all students find a good job and to help workers change careers later in life, without punishing low-income people or ripping away public assistance. For example, our state has launched the Career Connect Washington initiative to open new pathways to careers, including apprenticeships, internships and credentialing programs. Our state's WorkSource system annually helps more than 11,000 employers fill over 270,000 jobs and provides one-on-one job search services to over 104,000 Washingtonians. Our Community Jobs program combines temporary paid work placement opportunities with issue resolution activities for families working through obstacles such as medical or mental health. Our successful Basic Food Education and Training (BFET) program provides skills training and employment services to food stamp recipients and helps them develop self-sufficiency. And we have launched a statewide broadband effort to expand high-speed internet access and connect workers in rural communities to 21st century job opportunities.

Furthermore, our state understands just how difficult and complex the path to economic security is for millions of American workers. Even for those who manage to find a job and work their way up, true economic stability can still be out of reach — either because the pay is too low, paid leave is not available, or simply because circumstances change at home. That's why we have taken bold action to strengthen the social safety-net for all Washingtonians. We are proud to have one of the highest minimum wages in the country, paid sick leave for every worker and a new, best-in-the-nation paid family and medical leave program that ensures anyone who needs to care for themselves or their families has the freedom and flexibility to do so. We have accomplished all these things while consistently being ranked one of the top economies in the nation.

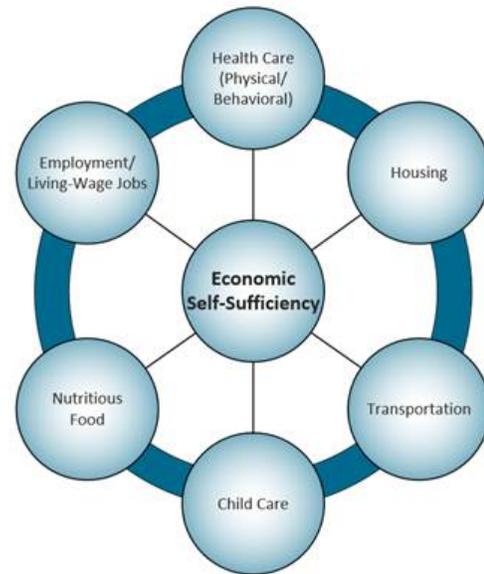
Our state knows we still have work to do. Washington's rural counties continue to struggle with persistently high unemployment. Homelessness continues to rise as housing becomes more expensive, and the scourge of opioids continues to devastate communities. Workers who are unemployed or underemployed are forced to piece together an income as our economy grows more fractured and wealth in America becomes more concentrated.

We stand ready to work with any willing partner to confront these challenges. However, any attempt by the federal government to reduce poverty and promote economic opportunity must first **do no harm** — by maintaining flexibility and preserving the progress Washington has already made — while combating the actual obstacles facing workers and families in the 21st century economy.

The Key to Economic Security Is Not Just a Job

To find and keep a job while supporting themselves and their families, American workers need many things: good health and access to healthcare when they need it, stable and affordable housing, reliable transportation, nutritious food, living wages, and people they can trust to care for their children when they work. Together, these components enable an individual to stay out of poverty and enjoy real economic mobility.

That's why Washington State is focused not only on helping people find jobs but also meeting the full suite of their basic living needs. We are deeply concerned the Administration's EO disregards the real challenges facing people in poverty — which extend far beyond employment— while ripping away the basic needs that must be met for an individual to be prepared for the workforce. Meaningfully addressing persistent and intergenerational poverty requires a far more holistic approach.



It is important to remember, for example, that not all jobs are enough to sustain an individual or a family. Many forms of employment do not provide a living wage or an adequate level of predictability when it comes to hours and scheduling. Others do not offer adequate flexibility for their workers to take leave when necessary — whether to care for their own health, an ailing family member or a new addition to the family. Lack of public transit and associated transportation issues, such as suspended licenses and car repairs, continue to be a barrier for many people to get to their workplace. Refugees and immigrants may face language barriers to employment that can be addressed through culturally and linguistically appropriate programs such as Washington's Limited English Proficiency (LEP) Pathway. Any effort aimed at helping people find and keep a good-paying job must be flexible enough to help people with each of the unique and individual barriers they face.

Washington's support systems move workers to self-sufficiency by making it possible for them to meet their family's basic needs until they can earn a living wage. As incomes rise, fewer supports are needed. The role these support systems play in keeping workers afloat, as they build their skills and earning capacity, can be seen more clearly by considering the entry-level jobs these workers are likely to get:

- A **minimum wage** position in Washington will pay \$11.50 per hour, which we estimate will cover only **47 percent** of the worker's basic living needs.
- A **retail sales** position in Washington will pay \$12.71 per hour, on average, which we estimate will cover only **54 percent** of the worker's basic living needs.
- A **janitorial** position in Washington will pay \$14.81 per hour, on average, which we estimate will cover only **63 percent** of the worker's basic living needs.

- A **customer service representative** position in Washington will pay \$17.76 per hour, on average, which we estimate will cover **75 percent** of the worker’s basic living needs.
- A **heavy equipment, tractor-trailer or truck driving** position in Washington will pay \$21.77 per hour, on average, which we estimate will cover **90 percent** of the worker’s basic living needs.

Each of these examples shows how far or how close Washingtonians in different types of jobs are to supporting themselves without any kind of public assistance. In each instance, state and federally funded public assistance programs play a critical role in closing the gap, meeting workers’ needs and ensuring all our residents have the resources they need to thrive. These programs include:

- the Child Care and Development Fund (CCDF);
- the Supplemental Nutrition Assistance Program (SNAP);
- the Special Supplemental Nutrition Program for Women, Infants and Children (WIC);
- the Affordable Care Act (ACA) premium tax credits;
- Medicaid expansion;
- the Children’s Health Insurance Program (CHIP);
- the Workforce Innovation and Opportunity Act (WIOA);
- Unemployment Insurance;
- Temporary Assistance for Needy Families (TANF);
- Section 8 Housing Choice Vouchers; and
- other federal housing assistance programs.

Washington opposes efforts to cut or eliminate such federally-funded public assistance programs, all of which contribute to our state’s proven model of success. We welcome an opportunity to demonstrate how Washington leverages these programs to move people toward self-sufficiency — and the existing infrastructure already in place to combat fraud and abuse — without the need for additional bureaucracy from the federal government. And we strongly oppose efforts to impose strict, mandatory work requirements in these programs because we know that ripping away child care, healthcare, food, transportation and housing will only make it *less* likely that an unemployed individual will be prepared to enter the workforce and find a good-paying career. There is no doubt that, in Washington, the approach taken in EO 13828 would undermine our efforts to reduce poverty and increase economic mobility.

In each of the following subsections, we explore in greater detail Washington’s successful approach to meeting families’ child care, healthcare and housing needs — three of the most expensive barriers for finding and maintaining a good job — and our concerns with possible changes under EO 13828.

Healthcare is Fundamental to Economic Security

Access to healthcare is crucial for all individuals and families. It is a universal reality that every one of us will need medical care at various stages throughout our lives. And for those of us who will at some point face serious or life-threatening conditions, such as cancer or heart disease, lack of health coverage can cause massive economic strain or even bankruptcy — plunging otherwise stable households into an economic spiral. That is precisely why affordable, quality healthcare for all Americans is key to eradicating poverty.

For those unable to find a job with adequate and affordable coverage options, Americans must rely on Medicaid, the Children’s Health Insurance Program (CHIP), premium subsidies through the Affordable

Care Act (ACA) or other publicly-funded healthcare options. These programs offer an essential safety-net to keep unemployed and underemployed individuals, low-wage workers and vulnerable families from falling into — or descending deeper into — poverty when illness hits. We cannot hope to address the poverty crisis in the United States without protecting and strengthening these programs.

Over the last five years, our state has leveraged Medicaid expansion and the ACA's individual market reforms to build a public-private healthcare marketplace that has been operating successfully to serve one in four Washingtonians today. More than 750,000 of our residents have newly accessible healthcare through the Washington Health Benefit Exchange (WHBE) and our state's Medicaid expansion since 2010, cutting our uninsured rate from 14 percent to just 5.8 percent. This includes 20,000 people who have received cancer treatment, 30,000 receiving substance use treatment — which has never been more important with our nation's opioid crisis — and 168,000 now receiving needed mental health treatment. It is inconceivable to imagine lifting these individuals out of poverty and helping them find employment without *first* meeting these essential healthcare needs.

In collaboration and partnership with the federal government, Washington State is now in the midst of a bold health system transformation effort that will yield better health outcomes, better quality care and lower costs. In 2016, the Centers for Medicare & Medicaid Services (CMS) approved a five-year Medicaid Transformation demonstration that furthers this work, improving care and population health for Medicaid enrollees while bending the Medicaid cost curve below the national trend. This effort makes targeted investments through community empowerment and accountability, practice transformation support, payment redesign, statewide data sharing and performance measurement.

Importantly, our Medicaid transformation initiative creates two new targeted benefits that help our most vulnerable beneficiaries get and keep stable housing and employment, known as our Foundational Community Supports program. The program provides wrap-around supports to help people remain in stable housing, and it includes employment assessments, assistance with job applications, community resources, education, coaching and employer outreach. We view the pursuit of employment not as a matter of eligibility, but as a long-term outcome and a key treatment strategy for those with complex needs. In fact, an analysis of supported employment services delivered in King County found that psychiatric hospitalizations were reduced by nearly 60 percent and incarcerations were reduced by 30 percent among people receiving services after a 12-month period.

We are deeply concerned that new efforts to impose harsh, inflexible work requirements in public healthcare programs, such as Medicaid, **threaten to derail this process and undermine Washington State programs that are already demonstrating success.** Making such radical changes would directly undercut our efforts and harm beneficiaries' ability to find and keep a job. According to our initial estimates, nearly 350,000 individuals in Washington could face the loss of health coverage if this Administration mandates harmful new work requirements in the Medicaid program.

As federal agencies weigh potentially devastating reforms to Medicaid and other public healthcare programs, Washington strongly encourages this Administration to keep in mind the following:

- **Denying Medicaid coverage to unemployed adults decreases their ability to stay healthy and keep a job.** When individuals cannot afford healthcare, they are more likely to delay seeking it. The results — health crises, medical debt and bankruptcy — can significantly hurt people's ability to keep their jobs and maintain stable housing, spiraling into even greater problems for

the individual and their community.

- **Rigid work requirements are most harmful to people already experiencing illness or other health crises.** Adults already experiencing healthcare complications may be unable to work or limited in their ability to work due to their medical condition. For individuals who can manage to work through their condition, “full employment” may be less than 40 — or even less than 20 — hours per week, particularly for individuals with mental or behavioral health conditions. Single, childless adults may also lack the family or community supports necessary to assist them during periods of unemployment or poor health. This is why support systems must be responsive and flexible to individuals’ unique circumstances and needs.
- **Work requirements hurt local communities.** By reducing the number of people with health coverage, work requirements will cause hospitals to see dramatic increases in uncompensated care, particularly rural hospitals, which are struggling to survive. In states that did not adopt Medicaid expansion, hospitals are much more likely to go out of business, which creates further barriers to employment. Hospital closures result in job losses and make it more challenging for communities to attract employers.
- **Work requirements mean added bureaucracy without any added success.** Forcing Washington and other states to spend more on government bureaucracy and complicated eligibility verification systems will mean we have fewer resources to spend on actual healthcare services for our residents. The result will be less successful outcomes and higher costs. We have also found that additional red tape and paperwork requirements are ultimately a barrier to enrollment for everyone, keeping many eligible people from completing the application and enrollment process.
- **Kicking unemployed people off public assistance programs creates downstream effects.** For example, if SNAP eligibility is restricted, there will be a greater number of people experiencing hunger, who tend to have poorer health. Under the EO, a resident who cannot find employment may be removed from the SNAP program and thus find themselves unable to buy groceries and descend further into poverty — which has the downstream effect of worsening their health outcomes and creating more medical debt. Taken together, the EO threatens to make families less economically stable, rather than more.

We strongly disagree with this Administration’s approach to work requirements in Medicaid and continue to believe these requirements harm individuals and families while doing nothing to further the goals of the Medicaid program. However, we appreciate that CMS has thus far kept these requirements *optional* for states. Washington urges the Administration to maintain this flexibility and to adopt similar flexibility in any other public assistance programs that seek new work requirements under EO 13828.

Child Care a Necessity for Parents to Work

The single largest expense for families, other than healthcare, is child care. Without a trusted place or person to care for their child, it is doubtful any parent in America would be able to find and maintain stable employment in a good-paying job. Simply put, child care is a necessity for all working families and central to a vibrant economy and true economic mobility.

Washington is proud to be a national leader in leveraging state and federal funding to ensure access to affordable, quality child care for tens of thousands of our state's families and children. Using resources from the federal Child Care Development Fund (CCDF), which supports child care access for more than one million children nationwide, Washington advances self-sufficiency for our residents through two programs: Working Connections Child Care and Seasonal Child Care. They are jointly referred to as the Child Care Subsidy Program and serve an estimated 32,000 families and 50,000 children every day.

Child care subsidies in Washington enable low-income families to place children in a stable, high-quality learning environment that supports healthy development and school readiness for our students. We know public investments in early childhood education give us an incredible return on investment. Research shows that for every dollar spent nationally, child care and early learning programs return roughly \$8.60 to society over a child's lifetime — through reduced crime, lower reliance on public assistance programs and increased earning potential. We are committed to ensuring and improving the quality of our child care programs. Under our state's Early Start Act, we require all providers to be enrolled in a Quality Rating and Improvement System (QRIS). This effort provides robust training and support for providers and a public rating system to inform parents.

Just as importantly, child care subsidies enable parents to work and pursue employment opportunities with the goal of creating financial stability and economic mobility. We agree with the principle laid out in EO 13828 that our nation must address "the challenges of populations that may particularly struggle to find and maintain employment," and that access to child care is crucial for helping low-income families find and keep good-paying jobs. Without these critical supports, it is doubtful families with children could work and pursue stable employment. That's why we urge this Administration not to cut CCDF, Head Start or Early Head Start programs, or to take any steps that undermine our proven model of success. As federal agencies weigh changes, we encourage you to keep in mind the following:

- **Rigid work requirements threaten Washington's proven model of success.** While it is true that an estimated 99.5 percent of all families currently receiving child care subsidies in Washington are employed or enrolled in work preparedness programs, we have only achieved this success rate because of the existing flexibility in the program. There is no evidence to suggest that further restrictions are necessary. Furthermore, it is inconceivable that any parents struggling to find employment would be able to find and keep good-paying jobs if their access to child care were suddenly ripped away.
- **Washington is already safeguarding against fraud.** We know that when public dollars are invested, ensuring they are spent wisely and effectively is important, which is why our state agencies work collaboratively and constructively to ensure the integrity of the system. Given the unmet needs among low-income children, any instances of fraud would not only be illegal, but they would also actively limit opportunities for those who *are* eligible. Our approach to fraud is strong and multi-faceted, including prevention, detection, referrals for benefits disqualification and for cost-recovery. We coordinate with county prosecutors and with local, state, federal and international law enforcement agencies when necessary. The existing infrastructure among Washington agencies ensures that all public dollars we invest in child care — both federal and state — are going to eligible beneficiaries and providers who are committed to quality.
- **Program integrity, quality and stability are all at risk if new federal rules create additional burdens and complexity.** New federal rules that focus on ramped up eligibility verification

requirements would only result in more inefficient systems, profound service disruption for families and instability for providers.

Washington's programs support child care availability in every corner of the state. To ensure parent choice, our state agencies support family homes, family friend and neighbor care, and licensed child care centers. Stable, available and high-quality care is a necessity for all working families and is a key component of a vibrant economy. Our state urges the federal government not to take unnecessary or harmful steps that undermine our success.

Housing First Approach is Proving to Help Put People on Path to Economic Stability

Individuals experiencing homelessness or significant housing instability will face significant challenges maintaining a job, particularly when battling other obstacles such as behavioral or mental health issues. This reality calls for an anti-poverty approach that puts "Housing First," in which people experiencing homelessness are not required to address every challenge they may be facing — from difficulty finding employment to substance use disorder or mental illness — before getting help with their housing needs. It also demands that investments are prioritized in homeless assistance programs and the expansion of affordable housing units, especially in regions facing increasing rates of homelessness and shortfalls in affordable housing.

Across the country, the U.S. is currently facing a shortage of 7.4 million affordable rental homes available to extremely low-income households. This means only 35 affordable units are available for every 100 households that are extremely low-income.¹ Washington State is no exception, with increasing housing unaffordability and a growing homelessness crisis evident throughout our state. Because of the shortfall of affordable homes, many lower income households are deeply cost-burdened, spending more on housing than they can afford without sacrificing other basic needs like food and healthcare.

In our state, the average fair market rent (FMR) for a two-bedroom apartment is currently \$1,397. According to the National Low Income Housing Coalition, a household in Washington would need to earn \$4,657 per month, or \$55,886 per year, to afford this level of rent and utilities without paying more than 30 percent of their income on housing. While costs vary by region, this means a person would need to work 2.3 jobs at the state minimum wage to afford a two-bedroom rental at fair market rent.² What's worse, the annual Point-In-Time count of individuals experiencing homelessness in Washington State last year totaled more than 20,000, including those who are unsheltered and those in emergency, transitional and sheltered housing.

These numbers paint a stark picture of the challenges facing individuals and families in poverty today and call for a holistic approach to helping those experiencing homelessness and housing instability.

Washington is proud to be pioneering just such an approach. We have established a statewide homeless crisis response system that identifies and prioritizes people with the greatest need so they are quickly "screened in" for housing assistance or other services. The goal of a high performing system is to reach the balance between need and capacity, so that when a person becomes unsheltered there is an

¹ NLIHC, "The GAP: A Shortage of Affordable Homes," March 2017, http://nlihc.org/sites/default/files/Gap-Report_2017.pdf.

² NLIHC, "Out of Reach 2018," http://nlihc.org/sites/default/files/oor/OOR_2018.pdf.

immediate response that quickly moves that person back into housing. In 2016, Washington provided more than 122,000 people facing homelessness or housing instability with housing assistance, other services, or both. We successfully housed nearly 100,000 individuals in that same year, and 26 percent of people who exited a homeless program went into permanent housing. Unfortunately, more than 8,500 individuals remain unsheltered in Washington, according to our latest Point-In-Time count. We believe further improvements to our current level of performance, paired with adequate resources to meet demand, can lead our state to achieve the vision of “no person left living outside.”

Unfortunately, the top-down approach taken by the Trump Administration threatens to derail this progress and do irreparable harm to Washingtonians experiencing homelessness or housing instability. We strongly oppose imposing harsh, inflexible work requirements for people receiving federal housing assistance, as suggested under EO 13828 and as proposed by the U.S. Department of Housing and Urban Development.³ This would mean that people already burdened with housing insecurity will face additional barriers to finding long-term shelter — creating further stress, health problems and yet another financial burden, while making it more difficult for individuals to obtain and retain good-paying jobs. We believe work requirements are fundamentally incompatible with the Housing First model and urge that such proposals be withdrawn, or at least be kept optional for states.

As federal agencies weigh these proposals, we ask that you consider the following:

- **Research shows most programs that require employment do not increase incomes in the long term, and in some cases reduce incomes.**⁴ Half of programs studied in the National Evaluation of Welfare-to-Work Strategies that required work reduced long-term earned income, and the highest performing outlier program only increased monthly earned income by \$79 per month. People who are unable to fulfill work requirements or related documentation requirements are ultimately pushed out of assistance programs, and in some cases the loss of assistance leads to homelessness.
- **Imposing work requirements at this time will only worsen the homelessness crisis.** Many state and local governments across the U.S. have undertaken innovative approaches to ending homelessness, and a critical piece of those efforts is implementation of Housing First principles and practices. A central element of Housing First is that access to housing is not contingent on minimum income requirements or other unnecessary conditions. The techniques and resources being dedicated to end homelessness would be undermined by rigid, mandatory work requirements that threaten to rip away shelter, emergency or transitional housing, homeless assistance and rental subsidies from those struggling to find employment.

Washington is continuing to move forward with our statewide efforts to tackle homelessness and grow access to affordable housing. We are ensuring accountability of our efforts by adopting system-wide performance metrics, posting County Report Cards to assess progress on these performance measures, and providing technical assistance and training to lower-performing counties across our state. We strongly urge the Trump Administration not to undermine our efforts with cuts to federal assistance

³ U.S. Department of Housing and Urban Development, Rental Reform Legislative Text, <https://www.hud.gov/sites/dfiles/Main/documents/RentReformLegislativeText.pdf>.

⁴ National Evaluation of Welfare-to-Work Strategies, U.S. Departments of Education and Health and Human Services, December 2001, https://www.mdrc.org/sites/default/files/full_391.pdf.

programs, mandatory work requirements, or unnecessary eligibility verification systems that do nothing to alleviate poverty for those who are struggling.

Conclusion

Washington is spearheading innovative approaches to poverty reduction with demonstrated success in moving people to economic security. We are tackling poverty for individuals and families across our state, combatting fraud and abuse, creating efficiency, and promoting long-term self-sufficiency through a variety of successful programs. Our systems, from our Healthier Washington initiative and statewide WorkFirst system to our Child Care Subsidy Program and Basic Food Employment and Training (BFET) program, are designed to break the cycle of poverty by responding to individuals' unique challenges and ultimately moving them to economic mobility — reducing reliance on public assistance programs without taking away assistance from those who need it.

We are gravely concerned that adding harmful requirements and eligibility restrictions will fundamentally change the way these systems work. Instead of this damaging approach, we urge the federal government to maintain flexibility and increase resources to bolster our efforts in improving economic security for all people in Washington.